

Before the  
**FEDERAL COMMUNICATIONS COMMISSION**  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

In the Matter of )  
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Implementation of the Local Competition )  
Provisions in the Telecommunications Act )  
of 1996 )  
 )

CC Docket No. 96-98

**FURTHER REPLY COMMENTS OF THE WESTERN ALLIANCE**

Several commenters<sup>1</sup> propose that all local exchange carriers be required to implement dialing parity within a prescribed time after enactment of the FCC's rules in this proceeding. Some commenters suggest a six-month deadline,<sup>2</sup> while others urge a deadline of one year after enactment.<sup>3</sup> These proposed rules, which are more rigorous than the statutory schedule applied to Bell operating companies, are entirely inappropriate for rural and high-cost carriers.<sup>4</sup>

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<sup>1</sup> Implementation of Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98 Notice of Proposed Rulemaking, FCC No. 96-182, (the "NPRM") (Apr. 19, 1996).

<sup>2</sup> Comments of MCI Telecommunications Corporation at ii and 3.

<sup>3</sup> Further Comments of the Telecommunications Resellers Association at 5; Additional Comments of MFS Communications Company, Inc. at ii and 6.

<sup>4</sup> Section 271(e)(2) of the Telecommunications Act of 1996 requires a Bell operating company to provide intraLATA toll dialing parity by the earlier of (1) when it provides interLATA services in a particular state in the BOC's region, or (2) three years after enactment of the 1996 Act. Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 ("1996 Act" or the "Act"), Sec. 271(e)(2)

For many rural and high-cost areas of the country, it is impossible to predict when (or even if) local service competition will arrive.<sup>5</sup> If carriers serving these areas are required to invest in network upgrades in the absence of a bona fide request from a would-be competitor, many of them will be forced to recover the investment, not from interconnection charges, but from their own rural ratepayers. The result will be either an increase in rural rates or premature, increased pressure on universal service supports.<sup>6</sup>

Given these facts, the Commission should permit the States to set implementation schedules for dialing parity.<sup>7</sup> If the Commission nonetheless decides to enact federal rules on this subject, it should take the approach it took with equal access

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<sup>5</sup> For example, in the State of Oregon, ten local exchange carriers still have not received requests for interexchange equal access, much less requests for interconnection for local competition.

<sup>6</sup> Under the mandate of Section 254 of the Act, the explicit universal service support mechanisms now under consideration must ensure reasonable parity between the cost to end users of rural and urban telephone service. 1996 Act, *supra* at Sec. 254(b)(3). Consistent with this mandate, costs incurred to achieve dialing parity should be included in the investment recoverable through explicit universal supports. Implementation of dialing parity only after receipt of a bona fide request will permit smaller carriers -- and the universal service system -- to avoid incurring these costs prematurely.

<sup>7</sup> As the Association for Local Telecommunications Services points out, "the specifics of dialing parity implementation are already being formulated in several states," making it unnecessary to propose "nationwide technical details or schedules at this time." Second Round Comments of the Association for Local Telecommunications Services at 6.

implementation,<sup>8</sup> and require nonBell, nonGTE local exchange carriers to implement dialing parity within a reasonable time after receiving a bona fide request for interconnection. The Western Alliance believes that a schedule of two years after receipt of a bona fide request will be reasonable for this purpose.

Respectfully submitted,

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<sup>8</sup> In its equal access implementation orders, the Commission recognized that "equal access obligations similar to those in the [Modified Final Judgment] might be unreasonable, because independent LECs often served sparsely populated rural areas and were already high-cost carriers. Consequently, the Commission modified the BOC equal access implementation obligations to require the independent LECs to convert certain end offices within three years of a bona fide request for equal access service." *In the Matter of Equal Access and Interconnection Obligations Pertaining to Commercial Mobile Radio Services*, 9 FCC Rcd 5408, 5433 (1994). (Even this deadline applied only to end offices equipped with electronic, stored program control switches; for end offices equipped with electromechanical switches, equal access was to be implemented as soon as practicable, but no deadline was imposed. See *MTS and WATS Market Structure Phase III*, 100 FCC 2d 860, 875 (1985).)

## **CERTIFICATE OF SERVICE**

I, Kimberly E. Thomas, hereby certify that the foregoing Further Reply Comments of the Western Alliance were hand delivered this 3rd day of June to the following:

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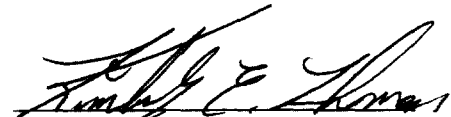
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